



Types of investments



On objects of investment allocated **real** and **financial** investments.

- Under the real investment is usually described as activities aimed at increasing the capital and the creation of new fixed assets.
- Financial investments - is investing in various financial assets of the company, among which the most significant share is investing in the tools of monetary and stock markets.

Investments are:

venture

direct

portfolio

annuity



Venture capital

- Is an investment in the form of issuing new shares, produced in new areas, coupled with greater risk.
- Venture capital invested in unrelated projects, based on a quick return on investment.

Direct investment:



Investment in the share capital of the economic entity in order to generate income and be eligible to participate in managing the economic entity.

Annuity

- investment that will provide the investor an income at regular intervals.
- *An example of an annuity* can be paid quarterly amount of interest on bonds or savings certificates, the uniform payment of contributions to the process of leasing equipment, uniform charging depreciation in the period ahead.

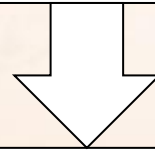
Portfolio investments



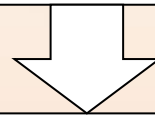
is deliberately formed aggregate of securities acquired by enterprise under the now developed investment strategies of financial investment.

Tasks of portfolio companies include

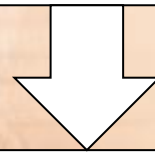
ensuring a high level of investment income in the current period



providing high-growth rate of invested capital in the long run



of minimizing investment risks



providing the necessary liquidity portfolio

1. The purposes of: Investment income:

- **income portfolio** - an investment portfolio formed by the criterion of maximizing the level of investment income in the current period regardless of the growth rate of invested capital; long term;
- **portfolio growth** - an investment portfolio formed by the criterion of maximizing the growth rate of invested capital in the long term future, regardless of the level of current investment income

2. The level of risk taken:

- **aggressive (speculative) portfolio** – an investment portfolio formed by the criterion of maximizing current income or growth of invested capital, regardless of accompanying him to the level of investment risk;
- **moderate (compromise) portfolio** - an investment portfolio on which level of investment risk close to market average;
- **conservative portfolio** - an investment portfolio formed by the criterion of minimizing investment risk



3. For stable structures:

- portfolio with a fixed structure of assets - stock, which share the main types of assets remains unchanged over a long period of time;
- portfolio with a flexible structure of assets - stock, which share the main types of assets are moving and changing under the influence of environmental factors.

4. With specialization:

- *portfolio shares* - solves goals of ensuring high rates of capital gains in the current and prospective period; Management of investment activity of industrial enterprises
- *portfolio of bonds* - solves the problem of high rates of current income, minimize investment risks, lower taxes;
- portfolio of deposits;
- *portfolio of other securities.*

5. According to the number of strategic objectives of:

- **one purpose portfolio** - portfolio, in which the financial instruments selected for one purpose of the portfolio;
- **many purpose portfolio** - portfolio, with a focus on achieving several goals.